

**Redispatch Principles
for 2004 Rate Case**

Preliminary proposal—For discussion purposes

1. As a provider of NT Network Resources, PBL will offer redispatch services to TBL pursuant to the OATT for service to Network Load. PBL will inc and dec its resources when needed by TBL for redispatch to maintain service to Network loads. Except in emergency conditions, TBL will not redispatch Federal resources when such redispatch would cause violation of a non-power constraint. To help encourage a Rate Case settlement, when redispatch from Federal resources is not available, PBL may obtain incs or decs, as needed, through power purchase or sale. Network customers may offer TBL redispatch services from Network resources under comparable terms.
2. TBL will curtail service to PTP customers equitably with redispatch required for NT service.
3. Compensation for redispatch provided:
 - TBL will pay PBL and NT customers providing redispatch for incs at the following prices:
 - Hydro: 110% of Mid C for generation North of the John Day Cutplane and COB for generation South of the John Day cutplane. (or other appropriate index)
 - Power Purchases or Thermal: at documented purchase price or incremental cost
4. TBL will charge PBL and NT customers for decs
 - Hydro: 90% of Mid C for generation North of the John Day Cutplane and COB for generation South of the John Day cutplane. (or other appropriate index)
 - Power Sales: at documented power sale price
 - Thermal: at documented decremental cost
5. Recovery of redispatch costs
 - TBL will recover its net redispatch costs from Network customers each month based on their load ratio shares for the month in which the redispatch costs were incurred. The load ratio shares will be calculated using the billing determinant for the NT base charge.
6. If PBL is redispatched for “Emergency conditions” then TBL will publicly post the occurrence within 24 hours on the OASIS.